

DEPARTMENT OF ENERGY

[Docket No. 18-70-LNG]

Mexico Pacific Limited LLC; Application to Amend Export Term Through December 31, 2050, for Existing Non-Free Trade Agreement Authorization

AGENCY: Office of Fossil Energy and Carbon Management, Department of Energy.

ACTION: Notice of application.

SUMMARY: The Office of Fossil Energy and Carbon Management (FECM) (formerly the Office of Fossil Energy) of the Department of Energy (DOE) gives notice (Notice) of receipt of an application (Application), filed on January 24, 2022, by Mexico Pacific Limited LLC (MPL). MPL seeks to amend the export term set forth in its current authorization, DOE/FE Order No. 4312, to a term ending on December 31, 2050. Under Order No. 4312, MPL is authorized to re-export U.S.-sourced natural gas in the form of liquefied natural gas (LNG) from the proposed MPL Facility to be located in Mexico to non-free trade agreement countries. MPL filed the Application under the Natural Gas Act (NGA) and DOE's policy statement entitled, "Extending Natural Gas Export Authorizations to Non-Free Trade Agreement Countries Through the Year 2050" (Policy Statement). Protests, motions to intervene, notices of intervention, and written comments on the requested term extension are invited.

DATES: Protests, motions to intervene, or notices of intervention, as applicable, and written comments are to be filed electronically as detailed in the **Public Comment Procedures** section no later than 4:30 p.m., Eastern time, [INSERT DATE 15 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

ADDRESSES:

Electronic Filing by email:

fergas@hq.doe.gov

Although DOE has routinely accepted public comment submissions through a variety of mechanisms, including postal mail and hand delivery/courier, DOE has found it necessary to make

pandemic. DOE is currently accepting only electronic submissions at this time. If a commenter finds that this change poses an undue hardship, please contact Office of Resource Sustainability staff at (202) 586-4749 or (202) 586-7893 to discuss the need for alternative arrangements. Once the Covid-19 pandemic health emergency is resolved, DOE anticipates resuming all of its regular options for public comment submission, including postal mail and hand delivery/courier.

FOR FURTHER INFORMATION CONTACT:

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SUPPLEMENTARY INFORMATION:

On December 14, 2018, in Order No. 4312, DOE authorized MPL to re-export U.S.-sourced natural gas in the form of LNG in a volume equivalent to 621 billion cubic feet per year of natural gas, pursuant to NGA section 3(a), 15 U.S.C. 717b(a). MPL is authorized to re-export this LNG by vessel from the proposed MPL Facility, to be located in the State of Sonora, Mexico, to any country with which the United States has not entered into a free trade agreement (FTA) requiring

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¹ Mexico Pacific Limited LLC, DOE/FE Order No. 4312, Docket No. 18-70-LNG, Opinion and Order Granting Long-Term, Multi-Contract Authorization to Export U.S.-Sourced Natural Gas by Pipeline to Mexico for Liquefaction and Re-export in the Form of Liquefied Natural Gas to Non-Free Trade Agreement Nations (Dec. 14, 2018).

national treatment for trade in natural gas, and with which trade is not prohibited by U.S. law or policy (non-FTA countries) for a 20-year term. In the Application,² MPL asks DOE to extend its current export term to a term ending on December 31, 2050, as provided in the Policy Statement.³ Additional details can be found in the Application, posted on the DOE website at: https://www.energy.gov/sites/default/files/2022-

01/2022.01.24%20MPL%20DOE%20Term%20Extension%20Application.pdf.

DOE Evaluation

In the Policy Statement, DOE adopted a term through December 31, 2050 (inclusive of any make-up period), as the standard export term for long-term non-FTA authorizations.⁴ As the basis for its decision, DOE considered its obligations under NGA section 3(a), the public comments supporting and opposing the proposed Policy Statement, and a wide range of information bearing on the public interest.⁵ DOE explained that, upon receipt of an application under the Policy Statement, it would conduct a public interest analysis of the application under NGA section 3(a). DOE further stated that "the public interest analysis will be limited to the application for the term extension—meaning an intervenor or protestor may challenge the requested extension but not the existing non-FTA order."

Accordingly, in reviewing MPL's Application, DOE will consider any issues required by law or policy under NGA section 3(a), as informed by the Policy Statement. To the extent appropriate, DOE will consider the study entitled, *Macroeconomic Outcomes of Market Determined Levels of*

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² Mexico Pacific Limited LLC, Application to Amend Export Term for Existing Long-Term Authorization Through December 31, 2050, Docket No. 18-70-LNG (Jan. 24, 2022). MPL is currently authorized under a separate order (DOE/FE Order No. 4248) to export domestically produced natural gas to Mexico and to re-export the natural gas in the form of LNG to FTA countries. MPL's request regarding its FTA authorization is not subject to this Notice. *See* 15 U.S.C. 717b(c).

³ U.S. Dep't of Energy, Extending Natural Gas Export Authorizations to Non-Free Trade Agreement Countries Through the Year 2050; Notice of Final Policy Statement and Response to Comments, 85 FR 52237 (Aug. 25, 2020) [hereinafter Policy Statement].

⁴ See id., 85 FR 52247.

⁵ See id., 85 FR 52247.

⁶ Id., 85 FR 52247.

U.S. LNG Exports (2018 LNG Export Study),⁷ DOE's response to public comments received on that Study,⁸ and the following environmental documents:

- Addendum to Environmental Review Documents Concerning Exports of Natural Gas From the United States, 79 FR 48132 (Aug. 15, 2014);⁹
- Life Cycle Greenhouse Gas Perspective on Exporting Liquefied Natural Gas From the United States, 79 FR 32260 (June 4, 2014);¹⁰ and
- Life Cycle Greenhouse Gas Perspective on Exporting Liquefied Natural Gas From the United States: 2019 Update, 84 FR 49278 (Sept. 19, 2019), and DOE/FE's response to public comments received on that study.¹¹

Parties that may oppose the Application should address these issues and documents in their comments and/or protests, as well as other issues deemed relevant to the Application.

The National Environmental Policy Act (NEPA), 42 U.S.C. 4321 *et seq.*, requires DOE to give appropriate consideration to the environmental effects of its proposed decisions. No final decision will be issued in this proceeding until DOE has met its environmental responsibilities.

Public Comment Procedures

In response to this Notice, any person may file a protest, comments, or a motion to intervene or notice of intervention, as applicable, addressing the Application. Interested parties will be provided 15 days from the date of publication of this Notice in which to submit comments, protests, motions to intervene, or notices of intervention. The public previously was given an opportunity to intervene in, protest, and comment on MPL's long-term non-FTA application. Therefore, DOE will not consider comments or protests that do not bear directly on the requested term extension.

⁷ See NERA Economic Consulting, Macroeconomic Outcomes of Market Determined Levels of U.S. LNG Exports (June 7, 2018), available at:

https://www.energy.gov/sites/prod/files/2018/06/f52/Macroeconomic%20LNG%20Export%20Study%202018.pdf.

⁸ U.S. Dep't of Energy, Study on Macroeconomic Outcomes of LNG Exports: Response to Comments Received on Study; Notice of Response to Comments, 83 FR 67251 (Dec. 28, 2018).

⁹ The Addendum and related documents are available at: http://energy.gov/fe/draft-addendum-environmental-review-documents-concerning-exports-natural-gas-united-states.

¹⁰ The 2014 Life Cycle Greenhouse Gas Report is available at: http://energy.gov/fe/life-cycle-greenhouse-gas-perspective-exporting-liquefied-natural-gas-united-states.

¹¹ U.S. Dep't of Energy, Life Cycle Greenhouse Gas Perspective on Exporting Liquefied Natural Gas From the United States: 2019 Update – Response to Comments, 85 FR 72 (Jan. 2, 2020). The 2019 Update and related documents are available at: https://fossil.energy.gov/app/docketindex/docket/index/21.

Any person wishing to become a party to the proceeding must file a motion to intervene or notice of intervention. The filing of comments or a protest with respect to the Application will not serve to make the commenter or protestant a party to the proceeding, although protests and comments received from persons who are not parties will be considered in determining the appropriate action to be taken on the Application. All protests, comments, motions to intervene, or notices of intervention must meet the requirements specified by the regulations in 10 CFR part 590.

As noted, DOE is only accepting electronic submissions at this time. Please email the filing to fergas.hq.doe.gov. All filings must include a reference to "Docket No. 18-70-LNG" or "Mexico Pacific Limited LLC Term Extension" in the title line.

PLEASE NOTE: Please include all related documents and attachments (*e.g.*, exhibits) in the original email correspondence. Please do not include any active hyperlinks or password protection in any of the documents or attachments related to the filing. All electronic filings submitted to DOE must follow these guidelines to ensure that all documents are filed in a timely manner. Any hardcopy filing submitted greater in length than 50 pages must also include, at the time of the filing, a digital copy on disk of the entire submission.

The Application and any filed protests, motions to intervene, notices of interventions, and comments will also be available electronically by going to the following DOE Web address: https://www.energy.gov/fecm/division-natural-gas-regulation.

A decisional record on the Application will be developed through responses to this Notice by parties, including the parties' written comments and replies thereto. Additional procedures will be used as necessary to achieve a complete understanding of the facts and issues. If an additional procedure is scheduled, notice will be provided to all parties. If no party requests additional procedures, a final Opinion and Order may be issued based on the official record, including the Application and responses filed by parties pursuant to this Notice, in accordance with 10 CFR 590.316.

Signed in Washington, DC, on February 22, 2022.

Amy Sweeney,
Director, Office of Regulation, Analysis, and Engagement,
Office of Resource Sustainability.

[FR Doc. 2022-04074 Filed: 2/25/2022 8:45 am; Publication Date: 2/28/2022]